Distributed Generation Improvements in Industrial Applications



Peer Review

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(formerly the Industrial Center)
www.escenter.org

Project Goal

....accelerate the acceptance of *replicable* distributed generation (DG) technologies and to document the use of *innovative heat recovery* applications at *industrial* and institutional sites



Project Statistics

- Contract competitively awarded to the Energy Solutions Center in response to RFP No. 340002748
- Project awarded in December 2000
 - Phase I, Market Assessment completed in FY 2001:
 - Phase II, Industrial CHP Evaluations at customer sites initiated in August of 2001

DOE Project Manager: Patti Garland, ORNL

DOE Program Manager: Merrill Smith, DER

Cost Share: Energy Solutions Center team 85% and DOE 15%



Joint Program Between DER and a Consortium of Energy Utilities in Support of the Strategic Plan

Our market assessment projects an 11 GW increase in the industrial sector for CHP projects below 1 MW

➤ The Industrial CHP evaluations and "Applications Guide" are designed to help customers select more efficient, more reliable, and lower cost systems

use the waste heat - minimize site engineering - standardize designs



Project Team

- Energy Solutions Center and DG Consortium
 - Provides project management, co-funding, market, and technology support
- Subcontractors provide market assessment and site support
 - Resource Dynamics Corp. and CSGI, Inc.: market assessment
 - EEA Inc. and Exergy Partners: site support
- Host sites and host utilities
 - Provide primary funding and assist with data collection effort



DG Consortium of Energy Utilities

Dominion Energy

NiSource Inc.

DTE Energy/Michcon

NW Natural

Enbridge Gas Distribution

Southern Natural Gas

Exelon Corp. (PECO)

Southern California Gas Co.

KeySpan Energy

TXU/Oncor Group

National Fuel Gas

We-Energies

Nicor Inc.

Yankee Gas Services Co.



Industrial CHP Evaluations

Using the market assessment as a guide DOE and ESC worked together to screen and select replicable industrial CHP sites (two in FY 2002 and one in FY 2003):

Host Site

C & F Packing

Industry

Food Processing

21,000 plants

Host Utility

Nicor

Faith Plating

Metal Plating
700 plants

Higgins Brick

Brick Manufacturing

720 plants

SoCal Gas

SoCal Gas



Task Definition

- Complete host site agreement
- Design and install data acquisition system
- Collect performance data for twelve months
- Analyze data and prepare case history
- Update an Industrial Application Guide



CHP Performance Evaluation

C & F Packing







CHP Performance Evaluation: C&F

Food Processing

Site: C & F Packing, Lake Villa, IL

Product: Processed meat and sausages

Cons. Utility: Nicor Gas

Power Gen.: Two 1125 kW Waukesha Engines

Heat Rec.: Boiler feed-water preheating

Operation: 9 am to 6 pm five days a week peaking operation

Status: New meat processing facility commissioned 5 -02

Comments: Rate response driven operation; steam used in direct

contact steamers; potential to expand heat utilization.

Twelve month performance evaluation completed.

Payback: 5-12 years. Outage cost: \$125,000

Case history available

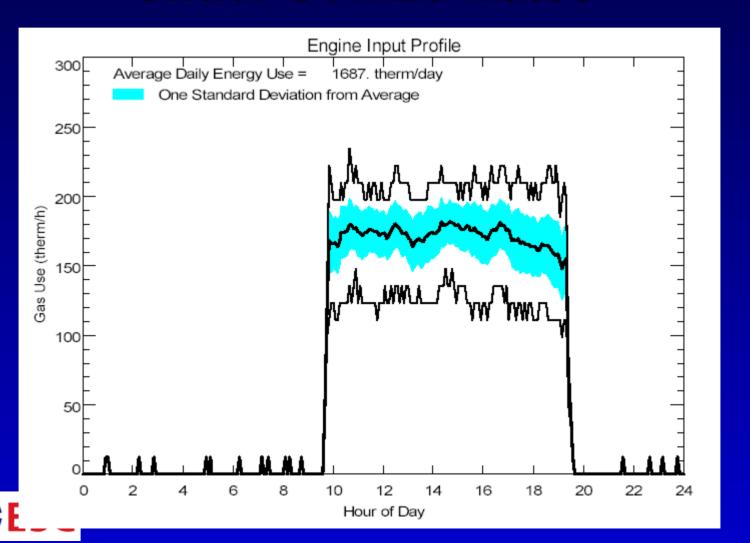


C&F Installation



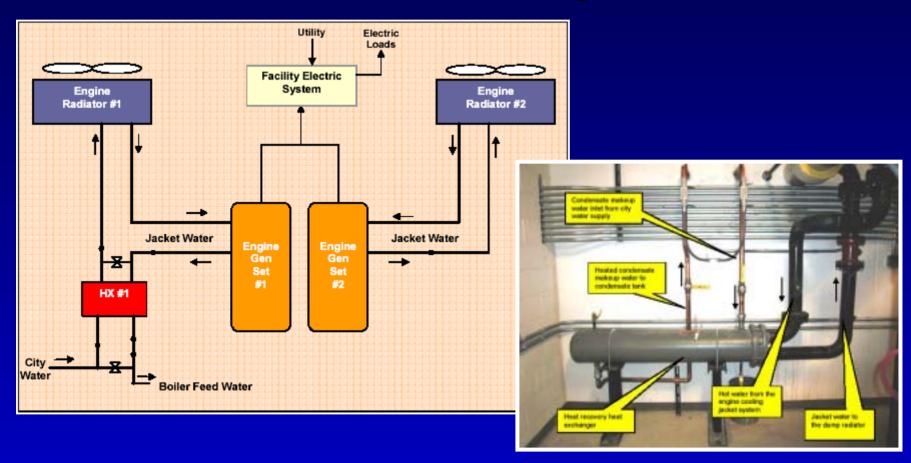


Peak Shaving Operation Preferred Under ComEd Rates



CHP Performance Evaluation: C&F

Peaking Operation Limits Waste Heat Recovery





Large Steam and Hot Water Load





CHP Performance Evaluation













Metal Plating

Site: Faith Plating Co. in Los Angeles, CA

Product: Chrome plating shop

Cons. Utility: Southern California Gas Company

Power Gen.: Four 30 kW Capstone micro-turbines

Heat Rec.: Hot water for plating tank heating

Operation: base loaded

Status: Units placed in operation during fourth quarter 2001

Comments: Customer is also using waste heat from the

Unifin heater for sludge drying for maximum heat

recovery – other plating companies interested

Payback: 4 years with one-third capital cost subsidy





Faith Plating Installation









Faith Plating Turbine Exhaust Used in Sludge Drying



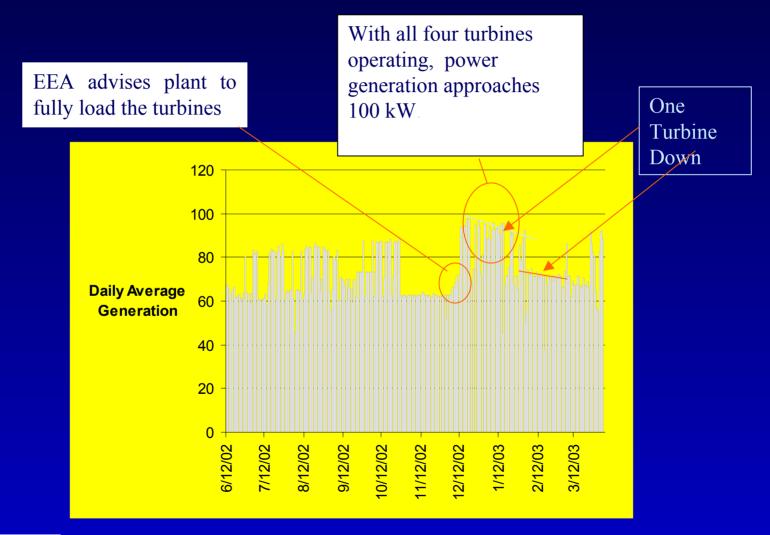
CHP Efficiency: 74 %





CHP Performance Evaluation: Faith

Microturbine Performance





Higgins Brick





CHP Performance Evaluation: Higgins

Brick Factory

Site: Higgins Brick Co., Chino Hills, CA

Product: Brick products

Cons. Utility: SoCal Gas

Power Gen.: Three 80 kW Bowman micro-turbines

Heat Rec.: Indirect heat exchange to pre-heat kiln comb. air

Operation: Three base loaded turbines 24/7

Status: Micro-turbines shipped; Installation in progress

Comments: Demonstrates waste heat recovery for process

heating. Operation scheduled to begin in late fall 03

Bowman will provide energy services



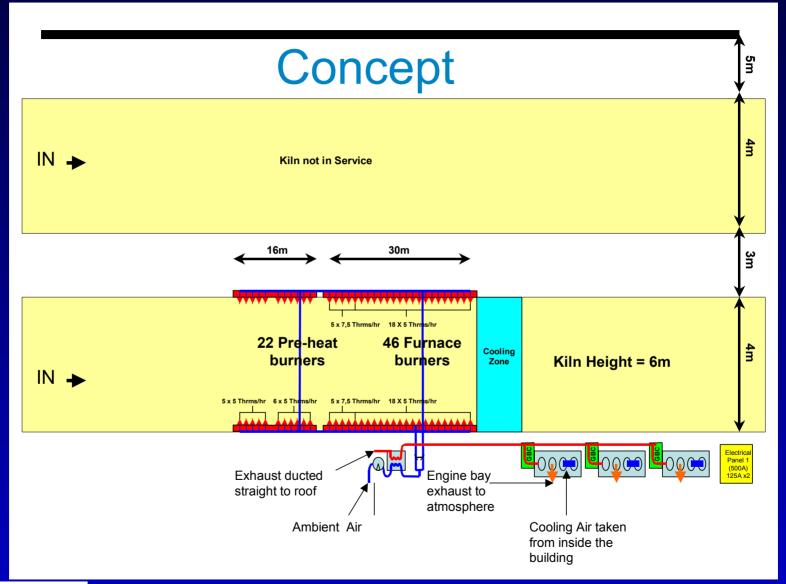
CHP Performance Evaluation: Higgins

Higgins Brick Background

- Founded in 1927
- Produced 4 billion bricks in its 76-year history
- Located in Chino Hills, CA
- Total capacity is 60 million bricks annually
- Remains family enterprise to this day, directed by Ronald Higgins, Sr., as well as several fourth generation family members
- Manufactured some of the largest brick projects ever undertaken in California Including:
 - Market Street in San Francisco
 - Parkloft in San Diego



CHP Performance Evaluation: Higgins





2003 DOE Program Activity Plan & Milestones





- 1. Completed data analyses and case histories for the C&F Packing and Faith Plating sites.
- Initiated new data evaluation effort at Higgins Brick and completed
 - host site agreement
 - site assessment
 - heat recovery analysis
 - data plan and web interface report
- 3. Completed draft "DG Application Guide"

2004 Plan: Complete Higgins Performance
Evaluation and Screen New Sites



2003 DOE Program Activity Plan & Milestones

DG Applications Guide

1. Focus: Industrial Installations

2. Content:

Chapter 1 Introduction

Chapter 2 Combined Heat and Power Basics

Chapter 3 CHP Market

Chapter 4 CHP Technologies

Chapter 5 Industrial Processes and Applications to Integrate CHP Systems

Chapter 6 Site Assessments, Design, and Installation Tips

Chapter 7 Evaluating Economic Viability

Chapter 8 Case Histories

Currently in Review



DG Applications Guide

DG Consortium funds content on:

Gas Industry Overview

Utility Rates

Manufacturers (Product Information)*

Interconnection*

Emissions*

Selection Guide

*ACTIVE

www.PowerOnsite.org



Market Assessment Identifies Barriers

- ✓ Product performance and availability*
- Lack of off-the-shelf integrated systems*
- Presence of a supporting market infrastructure*
- Awareness, information, and education of end users*
- ✓ Demonstration of successful case studies**
- Environmental regulations
- Planning, zoning, and codes
- ✓ Tax treatment
- Utility rate structures*
- ✓ Interconnection standards*
- * Addressed by the ESC DG Consortium
- ** Key element of current projects



What We Have Learned

✓ There is a need for developing CHP
Engineers...there is a knowledge gap between
power engineers and process engineers

Solution: Regional CHP Application Centers
Application Guides
CHP Factoids from Manufacturers

✓ There is a need for improved controls for managing CHP systems.

Solution: Connected Energy, Encorp, etc.

American DG, BluePoint Energy,
US Power etc.



Host Site Testimonial:

".... how much we appreciated working with your organization relating to the case study work you did for our Co-generation system.our Chief Engineer, was very pleased with both the information gathered and the cooperation he experienced when working with your personnel. Now that the final report is out we are happy with the way you handled the publicity as well as the information contained within. I hope it can help other companies make a more educated decision when considering generation. It certainly has been the right one for us.... Although I was a little apprehensive at first, I would like to thank you for choosing us as a participant in this program."



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Appendix

Energy Solutions Center and Consortium Statistics



Energy Solutions Center

Provides commercialization & market development support for natural gas technologies in the industrial, commercial and residential sector

- Established in 1991 (spin-off from AGA)
- 501(c) 6 trade association of 74 energy utilities and associated companies
- Located in Washington, DC
- Executive Director: David Weiss
- Consortium approach to products and services

www.escenter.org



DG Consortium Membership Statistics

Members: Fourteen utilities

Product Champions: Rob Eck, National Fuel Henry Mak, SoCal Gas

Technology Lead: Bob Fegan, DTE Energy Interconnect Standards

Center Coordinator: Richard Biljetina



Industrial CHP Support

- DOE Office of DER & ESC provide
 - CHP integration and design engineering
 - data acquisition for 6-12 months
 - case studies and market transformation tools
- DOE Office of DER & ESC
 - obtain data rights
 - make public the results of DG projects
- Host site finances, owns, operates and maintains total system

